

next session of Congress subsequent to the expiration of said fixed term of office, and except that any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the unexpired term."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF SUGAR ACT

Mr. COOLEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 13062) to extend the Sugar Act of 1948, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 412 of the Sugar Act of 1948 (relating to termination of the powers of the Secretary under the Act) is amended to read: "The powers vested in the Secretary under this Act shall terminate on December 31, 1961, except that the Secretary shall have power to make payments under title III of the programs applicable to the crop year 1961 and previous crop years".

SEC. 2. Sections 4501(c) and 6412(d) (relating to the termination and refund of taxes on sugar) of the Internal Revenue Code of 1954 are amended by striking out "September 31, 1961" in each place it appears therein and inserting in lieu thereof "June 30, 1962".

SEC. 3. Section 408 of the Sugar Act of 1948, as amended (relating to suspension of quotas), is amended by striking out of subsection (b) "for the period ending March 31, 1961" and inserting "for the period ending December 31, 1961" and by striking out of subsection (b) (1) "for the balance of calendar year 1960 and for the three-month period ending March 31, 1961" and inserting "for the period ending December 31, 1961".

SEC. 4. Section 302(b) of the Sugar Act of 1948, as amended (relating to the establishment of proportionate shares for farms), is amended by striking out the period at the end of the first sentence and inserting a colon and the following: "Provided, That 75 per centum of any increase in proportionate shares in any area where restrictions are in effect for the 1961 crop year over the total of restricted proportionate shares established for such area in the preceding year, less any shares arising from the 1960 growth factor, shall be reserved for new producers."

With the following committee amendments:

Page 2, line 2, strike out "31" and insert "30".

Page 2, following line 21, add following new section:

"SEC. 5. Subparagraph (iii) of subsection (b) (2) of section 408 of the Sugar Act of 1948, as amended, is amended—

"(a) by inserting after the word 'shall' the word 'next'; and

"(b) by striking out the proviso therein and inserting: 'Provided, That if at any time after this Act goes into effect, collective economic sanctions against one or more of the countries from which purchases are to be made under the provisions of this subsection are agreed upon by and between the United States and other countries, pursuant to treaty, and effective specific ac-

tions to implement such sanctions are undertaken by a majority provided in the treaty of such other treaty signatories, the President may discontinue, in whole or in part, and for such periods of time as he may deem necessary, further purchases from such country or countries under this subsection to the extent that such further purchases are in excess of an amount equivalent to the amount established under section 202(c), except that for the calendar year 1960 unless such sanctions are agreed upon and implemented prior to October 15, 1960, no purchases under this subsection for 1960 may be discontinued or deferred and authorization for such purchases shall be made in time to permit shipment of the entire amount to be received in the United States prior to December 31, 1960: And provided further, That if amounts of sugar in addition to those purchased hereunder are required, the President may authorize the purchase of such amounts from any foreign countries, without regard to allocation, but with preference to those countries agreeing to purchase United States agricultural commodities;."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "A bill to amend the Sugar Act of 1948, as amended."

A motion to reconsider was laid on the table.

AMENDMENT OF TRUST INDENTURE ACT OF 1939

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 3771) to amend certain provisions of the Trust Indenture Act of 1939, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (c) of section 304 of the Trust Indenture Act of 1939, as amended, is amended to read as follows:

"(c) The Commission shall, on application by the issuer and after opportunity for hearing thereon, by order exempt from any one or more provisions of this title any security issued or proposed to be issued under any indenture under which, at the time such application is filed, securities referred to in paragraph (3) of subsection (a) of this section are outstanding or on January 1, 1959, such securities were outstanding, if and to the extent that the Commission finds that compliance with such provision or provisions, through the execution of a supplemental indenture or otherwise—

"(1) would require, by reason of the provisions of such indenture, or the provisions of any other indenture or agreement made prior to the enactment of this title, or the provisions of any applicable law, the consent of the holders of securities outstanding under any such indenture or agreement; or

"(2) would impose an undue burden on this issuer, having due regard to the public interest and the interests of investors."

(Mr. HARRIS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HARRIS. Mr. Speaker, I direct the attention of the Members of the

House to the purpose of the bill S. 3771, as set forth in the report:

The amendment to the Trust Indenture Act of 1939 embodied in the bill (S. 3771) here being reported would extend the time within which certain applications for exemption from the act might be filed.

The Trust Indenture Act of 1939 requires that bonds, notes, debentures, and similar securities publicly offered for sale, except as specifically exempted by the act, be issued under an indenture which meets the requirements of the act and has been duly qualified with the Securities and Exchange Commission. The act requires the indenture to be qualified to designate standards of eligibility and qualification of the corporate trustee, to outlaw exculpatory provisions with respect to the liability of the indenture trustee, and to provide provisions by which the securities issued thereunder may be protected and enforced.

Section 304(c) of the Trust Indenture Act of 1939 presently permits the filing of an application for exemption from provisions of the act where the change in an indenture would require the consent of holders of securities outstanding under the indenture or would impose an undue burden on the issuer having due regard to the public interest and the protection of investors. However, this application may be filed only if there are outstanding at the time of filing securities which were outstanding prior to or within 6 months after August 3, 1939.

In anticipation of the fact that the opportunity to file application for exemption would some day expire, most companies have inserted such provisions of the act in their indenture to become effective when such old indenture securities are no longer outstanding. However, in some cases there was a delay in inserting such provisions so that there may be a period of time when such a company would be unable to do mortgage financing because of its inability to comply with certain provisions of the act under the standards of this provision.

In order to afford such companies an opportunity to bring their indentures fully into compliance with the act without undue hardship, the Commission proposes to amend such provision so as to extend the time of filing applications for exemption thereunder if securities were outstanding when the application is filed which were outstanding on January 1, 1959.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 202(b), COMMUNICATIONS ACT OF 1934

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 1740) to amend section 202(b) of the Communications Act of 1934 in order to expand the Federal Communications Commission's regulatory authority under such

section, with an amendment, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 202 of the Communications Act of 1934 (47 U.S.C. 202(b)) is amended to read as follows:

"(b) Charges or services, whenever referred to in this Act, include charges for, or services in connection with, the use of communication facilities of common carriers in chain broadcasting or incidental to radio communication of any kind."

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 1, strike out lines 6 to 10, inclusive, and insert in lieu thereof the following:

"(b) Charges or services, whenever referred to in this Act, include charges for, or services in connection with, the use of common carrier lines of communication, whether derived from wire or radio facilities, in chain broadcasting or incidental to radio communication of any kind."

The committee amendment was agreed to.

[Mr. HARRIS' remarks will appear hereafter in the Appendix.]

Mr. FLYNT. Mr. Speaker, the purpose of S. 1740 is clearly stated in the short and concise report—Report No. 2148—which accompanies this bill. It simply is an amendment to the scope of authority provision of the Federal Communications Act in the area of radio and wireless communications by common carrier facilities.

It is a provision which has been made necessary by recent technical electronic developments in the transmission of communications.

For example, until recent years, most communications were by means of wire facilities, and the regulations of charges, rates, and services were in some instances written in the light of technical developments as they were in 1930, 1940, or even 1950.

Today a substantial part of common carrier communications is accomplished by means of microwave facilities—a form of radio communications.

It is abundantly clear that such services and facilities are clearly within the purview of the Federal Communications Act, and the act should be amended accordingly.

Since the Communications Act of 1934 was enacted, increasing use has been made of point-to-point transmission as a substitute for wires in certain types of broadcasting—especially in network broadcasting.

Some common carriers are presently filing tariffs for the services of the type contemplated in this amending legislation.

In substance, S. 1740 takes a realistic look at technical developments and advances which have occurred since the enactment of the original language of this provision.

This legislation will make it very clear that the regulatory authority of the Commission extends to charges for the use of lines of communications which include use of radio facilities.

The language of the House amendment is clarifying language only. It does not change in any respect the purpose of the Senate bill. We believe that the House language clarifies the bill so as to more clearly reflect legislative intent.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

AMENDING FEDERAL AVIATION ACT OF 1958

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 1545) to amend the Federal Aviation Act of 1958 so as to authorize elimination of a hearing in certain cases under section 408, with an amendment, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. YOUNGER. Mr. Speaker, reserving the right to object, may I ask the chairman for an explanation of the bill?

Mr. HARRIS. Mr. Speaker, I yield to the chairman of the subcommittee, the gentleman from Mississippi [Mr. WILLIAMS] who will give a brief explanation of the bill.

Mr. WILLIAMS. Mr. Speaker, the purpose of this legislation is to eliminate certain nonessential hearings presently required by the Federal Aviation Act of 1958. It is part of the legislative program of the Civil Aeronautics Board. The Committee knows of no opposition to the proposal.

Enactment of this legislation would permit the Civil Aeronautics Board to eliminate the mandatory requirement of a hearing under section 408(b) of the Federal Aviation Act of 1958 in cases involving relatively simple transactions which cannot affect the control of a direct air carrier or create a monopoly, or tend to restrain competition. The bill requires that in such cases the Board would first have to determine that the public interest does not require a hearing and that no person disclosing a substantial interest has requested a hearing. Furthermore, notice of its intention to act without a hearing would have to be given by the Board through publication in the Federal Register with a copy of such notice sent to the Attorney General.

The need for the legislation arises from the fact that under section 408(b) of the Federal Aviation Act of 1958, the Board may not grant its approval of certain acts without first conducting a hearing. The acts referred to in section 408(a) may be generally classified as those tending to bring about a consolidation or merger of properties or acquisition of control of any air carrier, by another air carrier, common carrier, or person engaged in any phase of aeronautics. Among other things, they relate to the purchase, lease, or contract to operate the properties, or any substantial

part thereof, of any air carrier as well as other conduct to bring about a merger or consolidation of air-carrier properties. Since the chief purpose of this section of the act is to prohibit the acquisition of control of one air carrier by another carrier, without specific Board approval, which requires both an application and a formal hearing, the majority of cases coming within its purview involve transactions which substantially affect the public interest and the mandatory hearing requirement should be and is retained with respect to them.

However, experience has shown that in many other cases a hearing required under section 408(b) serves no useful purpose. These are cases involving relatively simple transactions which by reason of their limited nature, first, cannot conceivably affect the control of a direct air carrier or result in creating a monopoly, restrain competition, or jeopardize another air carrier not a party to the transactions; second, do not involve an objection by any party having a substantial interest in the transactions involved; and, third, where a hearing would provide no further significant information concerning the transactions.

One example of such a transaction is the purchase or lease of a limited number of aircraft—often only one aircraft and seldom more than three—where it appears that the transaction will prove beneficial to both parties and the public and where no person not a party to the transaction is concerned with it. Another example is a transaction directly affecting only a small airfreight forwarder, where the public interest in the case is insignificant.

In cases such as these where a hearing serves no useful purpose and no interested person requests a hearing, the committee feels the Board should have authority to act on the matter without a hearing. Congress has granted authority similar to that being here requested to the Interstate Commerce Commission—section 5 of the Interstate Commerce Act—and to the Federal Communications Commission—section 221 of the Communications Act of 1934, as amended by the act of August 2, 1956.

The Board's action would be subject to court review, so that interested parties would be protected against arbitrary action.

Mr. YOUNGER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 408(b) of the Federal Aviation Act of 1958 be amended by striking the period at the end thereof, inserting a colon in lieu thereof, and adding the following proviso: "Provided further, That in cases involving relatively simple transactions which do not affect the control of a direct air carrier, or result in creating a monopoly, or tend to restrain competition and where no person disclosing a substantial interest requests a hearing, the Board, after notice published in the Federal Register, copy of which shall be forwarded to the Attorney General, may determine that a hearing is not required in the public inter-